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# FOREIGN POLICY BULLETIN

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## GENERAL CONFERENCE OFFERS HOPE OF ENDING PEACE STALEMATE

IN spite of dire predictions by some sensation-seeking commentators, Secretary of State Byrnes, in his radio address of May 20 on the Paris conference, did not take the view that Europe must inevitably break up into two hostile worlds. On the contrary, he left the door wide open to adjustment of conflicting points of view between the Big Four on controversial subjects such as reparations from Italy, the future of Italian colonies, the status of Trieste and Venezia Giulia, the removal of armies of occupation from Italy and Axis satellites in Eastern Europe and the Balkans, and freedom of navigation on the Danube. He conveyed the impression that agreement might be reached on at least some of these questions at the meeting of the Council of Foreign Ministers to be held in Paris on June 15, but indicated this country's determination that the general peace conference promised by the Big Three last December for May 1 should be held on July 1 or July 15 at the latest.

PEACE NOT PREROGATIVE OF GREAT POWERS. "The making of the peace," said Mr. Byrnes, "is not the exclusive prerogative of the four powers." If a peace conference is not called this summer, he added, the United States (instead of seeking to make a separate peace, as had been freely predicted before April 25) will request the General Assembly of the United Nations, under Article 14 of the Charter, to "make recommendations with respect to the peace settlement." Thus it has been made clear that the American government wants to bring the terms of the proposed peace treaties, both those on which the Big Four agree and those on which they differ, out of the privacy of the Council of Foreign Ministers into the larger forum either of a general conference of all nations that fought Germany, as agreed at Moscow, or the still larger

assembly of all the United Nations, for "free discussion." In this endeavor the United States is bound to have the support of all small nations, especially those like Australia and New Zealand who in all international councils have been battling unrelentingly against domination by the great powers.

This decision comes at a psychological moment when the small nations, inspired and awed during the war by the technological power of the Big Three, have begun to be disenchanted, if not openly shocked by seeming poverty of spiritual leadership among the Leviathans which knew how to wage war but seem incapable of forging peace. This has proved as tragically true of the United States and Russia as it was of Germany and Japan in their hour of short-lived triumph. Meanwhile, the British Empire, whose demise, periodically prophesied, is being transmuted, as often in the past, into renewal of life under new conditions to which this preeminent flexible organism is adapting itself with extraordinary skill. In general it can well be said, in the words of Dr. Hafez Afifi Pasha, Egyptian delegate to the Security Council, on May 16 that the "great mass of humanity" is disappointed "because it believes that the Powers are not working as a united family, but are trying to further their own interests without regard or consideration for others."

IS WORLD ON POINT OF CONVALESCENCE? This disappointment, painful as it is at this moment, may prove to have some of the curative qualities of convalescence. It may mark the turning-point of one of the delusions of our times—the delusion that has led us to believe that bigness is of itself good, that material power justifies the flouting of moral values, that physical security or peace of mind can be achieved simply by submission to some form of authority, be it proclaimed in the name of God or

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man, and that the dictator in a nation, or the great power among nations, always "knows best." We may be on the verge of rediscovering the fundamental truths that have left an indelible imprint on human history, but have been obscured by the complexities of our machine civilization, that human beings are not unthinking automata, to be borne this way or that by "waves of the future," but beings endowed with the power to think and therefore the responsibility to make choices and arrive at decisions. The spirit of inquiry has always proved the enemy of dogma and tyranny. The small nations all around the world are performing an inestimable service first, by surviving at all, and then by inquiring persistently, and with a detachment unattainable by the great powers, into the motives and policies not only of Russia (singled out by the United States and Britain for critical scrutiny), but of all the Big Three. Without such inquiry the world might have gotten mired in increasingly dangerous controversies between the Western powers and Russia. By insisting that all the nations which, within the limits of their strength, contributed to the winning of the war should have an opportunity to discuss the terms of peace, the United States has done more to convince the world of its determination to assume its share of responsibility for the future than it could by any pledges of four-power alliances.

**PEOPLE'S PEACE A LONG PROCESS.** This does not mean that we are anywhere near the goal of an enduring peace. As Mr. Byrnes has rightly warned, "a people's peace" as distinguished from an imposed settlement, is bound to be "a long, hard process." It has been given to this generation to effect a transition, within and among nations, from an economy of self-advancement for the individual to concern for the common welfare; from political

liberty sometimes abused for personal or group or regional ends to political responsibility for the use of liberty; from a position of dependence for as yet undeveloped peoples to various degrees of independence within the framework of a world community; from religious faiths that would bar rationalism and a rationalism that, in turn, would banish religious faiths, to a recognition that science and belief are not incompatible. Some of us are being forced to leave ancient dwellings of thought and practice and, as so often happens, either suddenly see many cracks we had not noticed before, or else cling to the familiar spot with inconsolable nostalgia. Others confidently enter new dwellings of thought and practice, only to be disillusioned when they discover that outward change may not spell inward stability.

Of the two systems so often counterposed to each other—capitalism and communism—neither is any longer exactly what it was when it first developed, neither can be said to offer a final answer to the problems of our times, both have something to contribute to the world in the making in different degrees, depending on time and place. To say, as some do, that there can be no international organization as long as differences persist is to say that there will never be a possibility of international organization. Nations will never all reach simultaneously the same level of development. But neither do the citizens of any nation. To exist, society does not require uniformity. What it requires is agreement among widely differing elements on the necessity of finding workable compromises. This is the task to which the United States should address itself in what Mr. Byrnes describes as its "offensive for peace."

VERA MICHELES DEAN

*(The last in a series of articles on the peace negotiations in Paris.)*

## LABOR GOVERNMENT OPENS WAY FOR INDIA'S INDEPENDENCE

Britain's Labor government has taken a step in India which may neither be disregarded by the Indians nor overlooked by the world at large. The latest proposals for Indian self-government either within or outside the British Commonwealth, made public in London and New Delhi on May 16, follow closely on the failure of the British Cabinet mission and Indian political leaders to effect a satisfactory compromise at Simla on the form of the future government. But the new plan for a free India, to be united through federation, whatever its ultimate fate, marks an important development in India's 50-year struggle for national independence. In the last seven weeks of intensive negotiations, Indian political differences have been clarified, although the Hindu-Moslem rift remains, and economic and social problems are heightened by the peril of famine. A new trial period now opens, since

an interim government must be established. Yet from the long-range point of view, Britain's offer to withdraw from India and the nature of the compromises suggested for an Indian government bear directly on British Commonwealth affairs. At the same time, London's foreign policy is being tested as much in India as in Europe, the Middle East or any other single area of British interest.

**BRITAIN PROPOSES—INDIA DISPOSES?** The White Paper of May 16 is quite specific, offering practical principles for early implementation. No detailed blueprint for a future Indian Constitution is given, but suggestions are made for convening a constitutional convention, and an interim government is proposed in which the portfolios of war, hitherto the sole post held by a Britisher in the Viceroy's Executive Council, is to be relinquished. To insure eventual unity, the Cabinet mission has suggested a

central federal government to include all provinces and Indian states, now ruled by Indian princes. This federal union would have limited powers only, since all matters—except foreign affairs, defense and communications—along with the requisite financial powers, would be reserved to the jurisdiction of the states. And any question which might raise a "major communal issue" would require a majority vote not only of the legislature, which is proposed, but a majority vote also of its Moslem and Hindu representation. Protection thus afforded to the Moslem minority is also extended by plans for state or provincial groupings below the top federal level.

Although attempting to balance Hindu-Moslem claims, the new British plan is a definite rejection of the extreme Moslem hope for a divided India, and thus should relieve Britain of the oft-repeated charge that it is employing the policy of "divide and rule" to maintain political control. The experience of the interim government may throw new light on the efficacy of these latest proposals, but the spirit or intent in which they have been made will not be altered. Perhaps no further test of the sincerity of the new British effort is needed beyond the cautious Indian reaction. Neither the Congress party, the dominant political group in India, nor the Moslem League, which favors Pakistan or separate Moslem states, has approved the British compromise solution with loud praise. Neither faction, however, has condemned it outright, as has happened so often in the past with other British announcements.

All of India's formidable social problems will not soon be solved, but whatever criticism can be made of Britain's past failures to develop India's government or economy more fully, from this point forward great responsibility rests on India's leaders both in the political and economic realm. There is as yet little indication of the eventual economic relationships—either state or private—which will be established between Britain and India, although mutual interests will dictate continuance of close economic ties. It is significant that, despite the continued presence of sizable British investments in

India, after six years of war in which Britain made heavy military expenditures in the Indian market, the official balances run in India's favor. Through war purchases and the liquidation of private assets in India, Britain has now emerged with a sterling debt owed to India of over a billion pounds.

**FUTURE BRITISH-INDIAN TIES.** If it appears that the Indians themselves can largely determine how long the interim government must serve before a politically independent régime is set up, and how India's future economy will be managed, the outside world will be mainly interested in the final security arrangements that will be established between India and the other British nations. Britain's independence offer is now categorical, although most Britishers hope that India will elect to remain within the Commonwealth. The Labor government's action in India has occasioned mild criticism from Conservative party members in London for not insisting more strongly on some such tie. But Britain's chief concern, like that of Commonwealth nations such as New Zealand and Australia, now turns to the more realistic issue that has arisen in Egypt.

In Egypt, as well as India, the Labor Cabinet has clearly set forth its aim to abandon all special privileges. Yet because of its weakened power position relative to the other Big Three, Britain's security needs and its search for export markets will be pushed with vigor in both the Middle East and in India. These aims are sought at a time when Britain finds Russian influence increasing along its historic empire route, and when the United States presses for a revision of the system of imperial preferences and freer economic trading terms between Britain and all sterling area countries. Faced by Indian nationalist desires that can no longer be denied, however, the Labor government—less than a year after its election—has boldly sought to end British control in India on generous terms. Only an open break between Moslems and Hindus in India or a final deadlock among the great powers would appear capable of delaying India's independence much longer.

GRANT S. MCCLELLAN

## **LATIN AMERICA RENEWS EUROPEAN TIES TO COUNTERBALANCE U.S.**

A feature common to the policies of the larger Latin American countries is the endeavor to renew contacts with Europe interrupted by the war. In recent months a procession of diplomatic, cultural and trade missions from a number of European countries, notably, Britain, France, Sweden and Russia, has made its way through Latin American capitals. The cordiality with which these missions have been received indicates that the American Republics are no less anxious to take up where they left off in 1939 than the European countries.

**LATIN AMERICA COURTS EUROPE.** That the

Latin American nations would take steps to end their enforced isolation from Europe was, like the post-war deterioration of inter-American relations, frequently predicted here during the war. The relations which had developed under stress of common danger unquestionably have been strained by the return to peacetime conditions. The Latin American countries feel that the United States has not, through concrete political and economic benefits, shown proper recognition of their wartime services. Annoyance is expressed over United States price policy, whereby Latin Americans are forced to sell their

products, such as coffee and sugar, at negotiated prices which do not fully reflect current price and cost relationships, while they must purchase American machinery and manufactures at prices which are rising. Another cause of misunderstanding has been the abrupt removal of nearly all our licensing controls, which has left the United States unable to effect an equitable distribution of commodities in short supply and has put the Latin Americans at a disadvantage in our markets. Consequently, these countries, all of which possess ample dollar exchange, are unable to alleviate the inflation, partly attributable to import shortages, under which they have labored during the war. While Washington believes that these inflationary conditions could have been lessened by the termination of import licensing control and the reduction of tariff and exchange barriers, the Latin American countries are reluctant to undertake these steps until they are assured that the United States will make reciprocal concessions.

Even if this country had been in the position to make these adjustments—which it manifestly was not—such is the relationship of the other American Republics to the United States that one observer was recently moved to say: "In Latin America we fear that economic benefits from the United States will bring political effects." Suspicions of this nature, as well as uncertainties concerning their long-term trade with the United States, clearly explains the haste of these countries to conclude agreements with non-American powers which would counteract what they regard as excessive United States influence in their domestic affairs. The most spectacular development along these lines has been the establishment of diplomatic relations and negotiation of trade agreements with the U.S.S.R. Russian diplomatic missions are now stationed in all the larger Latin American countries except Argentina, and the presence of a Soviet trade mission in that country augurs favorably for the early renewal of relations.

**RIGHTIST GAINS.** The present rapprochement

between Russia and several Latin American countries on the diplomatic and commercial levels, however, has not been accompanied by a swing to the Left in domestic policies. On the contrary, these governments, with remarkable unanimity, have taken or contemplate taking steps to prevent the extreme Left from assuming greater political importance. The Communist party in Mexico, for example, will not be allowed to present a candidate in the July Presidential elections. In Brazil, where the Communist leader, Senator Julio Prestes, discredited his party in the eyes of Brazilian moderates by an "unpatriotic declaration," General Dutra's government, in the words of a Brazilian commentator, "is determined to stem dissemination of Marxist ideas through the adoption of measures not merely preventive but also repressive."

The present drive against Communists wherever it is being undertaken reflects not only the uncertainties of the world political situation but also the growing social unrest at home, unrest which feeds on constantly rising costs of living. If recent national and by-elections are any test of public opinion in Latin America as a whole, however, Communism holds no great attraction for many people. This may be due partly to the fact that, in a region where politics are so largely personal, no outstanding Communist spokesman has aroused their allegiance, and partly because they have been disillusioned in their experience with liberal, reform governments, where such have existed. On the contrary, the evidence points rather to popular support of strong leaders in the tradition of Argentina's Perón, who combines the promise of fulfilling the same social objectives offered by the Communists with the appeal of the *Caudillo*, whose type is familiar to Latin Americans.

To assess the seemingly divergent currents of opinion in Latin America today and to develop a realistic Latin American policy, as the United States must do to assure security in the New World, is no easy task. If Ambassador George Messersmith's speech of May 10, on leaving Mexico City for his Buenos Aires assignment, expresses United States policy, Washington hopes "to bring about complete collaboration in the Western Hemisphere—political, military, strategic and economic." Even if it were in the interest of the United States to collaborate with the governments of the New Right, as represented by Argentina, the question still arises whether such a working relationship could be achieved.

OLIVE HOLMES

(The second of two articles.)

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